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ARIZONA CORPORATION COMMISSION

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Arizona Corporation Commission
Docket Control
Phoenix, AZ

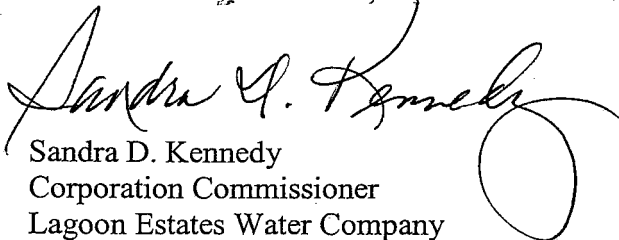
RE: DISSENT
Lagoon Estates Water Company
W-01825A-09-0345

I am submitting a letter into the record, explaining my No vote on August 24, 2010 for the Lagoon Estate Water rate application.

I was disturbed at the fact that the company during the test year provided 800,000 gallons of water to the local high school at no charge and the Recommended Order and Opinion did not make a deduction from the company for the cost of the lost water.

I do understand that Lagoon Estates believed it was providing a charitable service to the high school. However, the other ratepayers should not have to subsidize the cost of that gift of free water, especially during these tough economic times.

Given the facts in the case, I could not vote for a rate increase.


Sandra D. Kennedy
Corporation Commissioner
Lagoon Estates Water Company
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